

SECRET

5 July 1951

MEMORANDUM

TO : Deputy Director (Administration)

FROM : Comptroller

SUBJECT: Status of 1949 Fiscal Year Obligations

1. Attached hereto is a list totaling [] of outstanding contractual obligations from the 1949 fiscal year. The 1949 fiscal year appropriation lapses as of 1 July 1951, after which date all accounts submitted for settlement from the 1949 appropriation would normally have to be submitted to the General Accounting Office for settlement.

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2. In view of the fact that these obligations were made from confidential funds and the General Accounting Office has no record of their existence, it is considered inadvisable and insecure to submit such accounts to them for settlement. [] of the Confidential Funds Regulations recognizes the principle that claims against lapsed appropriations may be paid from current appropriations but require approval by the Deputy Director (Administration) where such claims exceed [] any one year.

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3. In order not to reduce the amount of available funds in the 1952 budget, it is proposed that we establish an obligation against 1951 fiscal year funds []. This can be accomplished by reducing the amount of our year end adjustment voucher when we adjust our cash position between 1951 fiscal year and 1952 fiscal year, as of 30 June 1951.

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4. The above proposal has been checked with the General Counsel and he is of the opinion that such action would be proper and not in violation of our "good faith" agreement with GAO respecting adjustment of fiscal year end cash balances.

ERS/rmc

cc: Signer's copy

Concur:

General Counsel

E. R. SAUNDERS

Approved:

Deputy Director (Administration)

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